UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/CCF/POL/1
20 December 1996

ORIGINAL: ENGLISH

Second regular session 1997
10-14 March 1997, New York
Item 2 of the provisional agenda
UNDP

UNDP: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

FIRST COUNTRY COOPERATION FRAMEWORK FOR POLAND (1997-1999)

CONTENTS

	Paragraphs	Page
INTRODUCTION	1	2
I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE	2 - 7	2
II. RESULTS AND LESSONS OF PAST COOPERATION	8 - 11	3
III. PROPOSED STRATEGY AND THEMATIC AREAS	12 - 23	4
A. Governance and European integration	13 - 15	5
B. Promotion of sustainable livelihoods	16 - 21	5
C. Promotion of environmental and natural resources sustainability	22 - 23	7
IV. MANAGEMENT ARRANGEMENTS	24 - 28	7
Annex. Resource mobilization target table for Poland (1997-1999)		9

96-37577 (E) 280197 280197

INTRODUCTION

1. UNDP has been providing technical cooperation to Poland since the early 1960s, through a series of five country programmes, the latest of which, covering the period (1992-1996), is nearing completion. The fifth country programme for Poland (DP/CP/POL/5), was the subject of a mid-term review in April 1996. The present country cooperation framework (CCF) for the period 1997-1999 is based on the experience gained in the fifth country programme and the recommendations of the mid-term review; and ongoing dialogue between the Government, UNDP and donors on potential priorities, and in particular, the UNDP advisory note, was prepared in October 1996. The CCF will cover a three-year period, to coincide with the preparatory process for entry into the European Union, although a longer-term perspective is appropriate for support to many national programmes. Financial resources for the period of the first CCF are estimated at $9.7 million, some $1.5 million of which will come from UNDP core resources and the rest from cost-sharing and the Global Environment Facility (GEF).

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

2. In terms of UNDP areas of focus, the national development situation is summarized below.

Poverty reduction

3. Between 1978 and 1982, gross domestic product (GDP) fell by 22 per cent, the sharpest decline in any Eastern European country. Not until 1986 did Poland achieve its 1978 economic indications again, only to have them plunge even lower four years later, in 1990. During this period, Poland became one of the first Eastern European countries to adopt stringent adjustment measures to accelerate improvement in economic indicators, which contributed to reversing downward trends, so that from 1991, macroeconomic aggregates began to improve, to the extent that in 1995, GDP had increased for the fourth consecutive year. However the human development index for Poland declined steadily from 0.91 in 1990 to 0.815 in 1994, then rose to 0.855 in 1995, before falling slightly to 0.819 in 1996.

Employment and sustainable livelihoods

4. One of the negative effects of the transition has been the increased economic insecurity of that portion of the population falling below the poverty line. Regional disparities are also significant, with the highest rates of unemployment being recorded in the northern and eastern areas of the country; rural areas and single-industry towns. It is expected that the proposed restructuring of the coal sector in Upper Silesia, in which UNDP collaboration is envisaged, will have major implications on employment.

Gender

5. Women constitute 51.3 per cent (19.8 million) of the population of 38.6 million. Sixty-three per cent of women live in urban areas. Their average age is 35 years, compared to 32 years for men. Life expectancy for women is 76 years, compared to 67 years for men. In terms of employment, 53 per cent of women are employed, and women are generally better educated than men, with 51 per cent of working women having completed secondary or tertiary education, compared to 36 per cent of men. Despite this, women hold only 28.5 per cent of managerial positions, and only 13 per cent of Members of Parliament are women. To address these disparities, some 70 non-governmental organizations (NGOs) have been established to alleviate hardships and promote the empowerment of women, many of which played an active role in preparations for and follow-up to the Fourth World Conference on Women.

Environment

6. In certain areas of Poland, the environment has suffered greatly over the past 50 years, owing to the use of inappropriate technology, a lack of environmental awareness and controls, and the weakness of environmental pressure groups. Sixty per cent of rivers do not meet the lowest environmental standards, and Poland is one of the main polluters of the Baltic Sea, which is fed by the Vistula and Oder river basins. A significant reduction of pollutant emissions has been observed since the early 1990s, due to the closing down of uneconomical heavy industry. But at the same time, economic development since 1992 has brought new threats to public health and the environment, for instance, household waste pollution, air pollution from traffic, and uncontrolled access to Poland's rich wildlife and natural reserves. Upper Silesia, which is the heartland of Polish heavy industry and coal mining, is one of the most polluted areas in Europe.

Governance

7. Substantial progress has been made in strengthening Poland's democratic traditions and institutions, including through a broadening of instruments for popular participation, namely, NGOs and civil society organizations (CSOs). A significant issue of Poland's governance relates to its foreign economic relations, particularly with regard to regional economic integration with developed market economies. Poland became a member of the Organisation for Economic Cooperation and Development (OECD) in 1996, and is taking active steps towards preparing itself for accession to the European Union.

II. RESULTS AND LESSONS OF PAST COOPERATION

8. Between February and April 1996, a mid-term review took place, in order to review the results to date of the 1992-1996 country programme, and to suggest areas of possible improvement.

9. According to the mid-term review, in the area of human resources development, among the main results achieved were the publications of the 1995 and 1996 national human development reports, including their preparatory

process, and follow-up. In response to the human immunodeficiency virus (HIV) epidemic, UNDP contributed to awareness-raising, training, publications, and support to CSOs, and attracted significant cost-sharing. In the area of market institutions development, UNDP provided training in the use of UNDP Environment Management Guidelines, and in the use of the Internet to gain access to the UNDP Sustainable Development Network Programme, a database on sustainable development experiences and organizations. Finally, in the area of multisectoral technical support, special mention should be made of the well established umbrella project for support to the economic reform process, which has provided over 500 consultants to government departments, private enterprises and NGOs, through the Transfer of Knowledge Through Expatriate Nationals, United Nations International Short-Term Advisory Services, United Nations Volunteer and national consultant modalities. These consultants, 80 per cent of whom are Polish or of Polish origin, have carried out short-term missions to address needs in areas such as quality management in enterprises, legislative reform, social services and industrial restructuring.

10. UNDP support was complemented by projects financed by the United Nations International Drug Control Programme on drug-trafficking, surveillance and control, and the United Nations Population Fund (UNFPA), through projects for the strengthening of maternal and child health care and family planning activities, the promotion of responsible lifestyles through the educational system, the provision of contraceptives, and reinforcement of the reproductive health network. The total allocation from UNFPA for ongoing projects in Poland is $1,100,000.

11. The mid-term review also noted that the larger projects foreseen in the 1992-1996 country programme proved too complex and were abandoned in favour of more focused and modest interventions, with the potential for greater impact. Further lessons learned included: (a) the need for cost-sharing contributions in those areas where UNDP or other United Nations agencies are unable to provide all of the external resources required; (b) the need for more effective United Nations agency backstopping; and (c) the increased effectiveness of projects when working with community-based organizations.

III. PROPOSED STRATEGY AND THEMATIC AREAS

12. It is considered that UNDP can make the greatest impact with its limited resources by focusing on those areas where the Government considers and past results have shown that the organization has a comparative advantage. Furthermore, it is considered that UNDP can have the greatest multiplier effect by providing upstream support for the formulation of national programmes in selected areas, in order to provide a framework for coordination and resource mobilization. This strategy will include the attraction of cost-sharing and other resources, as well as linkages with Regional Bureau for Europe and the Commonwealth of Independent States regional projects. Thus, future UNDP support will be provided in the context of the following areas of focus; governance and European integration; sustainable livelihoods; environmental and natural resources sustainability.

A. Governance and European integration

Capacity-building for European integration

13. Considering that accession to the European Union is the highest national priority, UNDP will support capacity-building in those areas where it has a comparative advantage and can complement the European Union and other donor support. This will include a continuation of the successful mechanism for the provision of cost-effective short-term technical advisory services under an umbrella project, giving priority to European integration, in the areas of: capacity-building on legal, procedural and institutional issues; high-quality management of small- and medium-scale enterprises, in order to attain European Union quality control and anti-pollution standards; and support to NGOs and CSOs. Furthermore, Poland wishes to make full use of the possibilities of accession to the European Union to increase trade, which, indirectly, would have a positive impact on incomes and employment. UNDP support is thus envisaged to provide short-term technical support in areas relating to improving the competitiveness of specified products for export, and trade financing, in those areas where the United Nations system has a comparative advantage. In due course, a separate project for trade promotion may be required.

14. UNDP will also assist in the establishment of a technical cooperation programme, thus helping the Government to fulfil one of the requirements of OECD membership, and enabling Poland to contribute fully to promoting technical cooperation among countries in transition.

Support to human development analysis capacity-building

15. UNDP will continue to help strengthen the capacity of national institutions involved in the preparation of national and provincial human development reports, through the provision of training, methodological advice and financial support. The information provided in those reports will then be integrated into the process of national and regional strategic planning.

B. Promotion of sustainable livelihoods

16. In order to address some of the poverty-related issues discussed in chapter I above and to promote a process of sustainable livelihoods in Upper Silesia, UNDP will support activities in the area of regional development, including activities for specific target groups, namely, women and those affected by the HIV/acquired immune deficiency syndrome (AIDS), epidemic. The ultimate purpose is to build capacity to provide sustainable employment for the target populations. Interventions may include the development of participatory strategies to link public services more directly to those currently under- or unserved, and strategies that help to foster the strengths and capacities of individuals and communities to sustain their own livelihood systems.

Support to a local economic development programme for Upper Silesia

17. The Katowice agglomeration of 13 municipalities is the primary coal, steel and industrial area of Poland and is dominated by the coal mining sector, which

employs some 250,000 people. This sector is destined to undergo a radical change over the next 10 years, as a major restructuring programme is put into place. The restructuring programme will include the downsizing of the industry and the establishment of new industries, services and jobs, to ease the pressure on the populations concerned and on the State as a whole. UNDP/the United Nations Centre for Human Settlements (Habitat) (UNCHS) has focused a portion of its resources in this area on support for municipal management and reform through the Sustainable Katowice Agglomeration Project, which is one of the 12 projects worldwide included in the UNCHS Sustainable Cities Programme.

18. Given the limited resources available, UNDP will build on its ongoing assistance to the voivoidship (provinces) of Katowice in two areas: (a) an economic development and employment promotion programme, along the lines of an initial pilot project in the province of Plock, which was assisted by a regional UNDP/International Labour Organization Local Economic Development (LED) Programme; and (b) an Urban Environmental Regeneration Programme, in the context of the Government's Coal Sector Restructuring Programme for Upper Silesia (see para. 22 below). The LED Programme in Upper Silesia will contribute to a process of investment promotion and job creation in new industries and services. It will also provide support for small- and medium-scale enterprises and micro-credit services, on the basis of prior UNDP support to the National Foundation for Polish Credit Unions. This approach will contribute to the Government's programme for restructuring the Upper Silesia industrial and mining infrastructure, and should generate support from a number of donors.

Support to research on social conflict and poverty in Silesia

19. Relevant to the ongoing and proposed work in Katowice, including the preparation of a provincial human development report, is research on issues of social conflict and poverty, currently under way in Silesia. The results of this research should be useful to policy makers and in implementing appropriate poverty alleviation measures.

Response to the HIV epidemic

20. UNDP is currently supporting CSOs working on HIV- and AIDS-related issues (health and prevention, sexual ethics, medical ethics, drug-related issues, support to people infected with HIV, and family/support groups, etc.), and the Ministry of Health, in the areas of publications and training for medical personnel and local authorities, and strengthening national capacity to deal with HIV/AIDS-related issues, in terms of prevention, care, employment, family support, non-discrimination, drug abuse, medical ethics, etc. Successful experiences in responding to the HIV epidemic will be expanded, thereby providing increased support to those directly and indirectly affected by the epidemic.

Support to the Gender in Development Programme

21. In all UNDP-assisted projects, attention will be given to mainstreaming gender issues in all sectors of the economy and promoting greater participation of women in management and decision-making roles. Support is envisaged for a

national programme, under the auspices of the Presidential Chancellery to reduce family violence.

C. Promotion of environmental and natural resources sustainability

Support to the Silesia Urban Environment Regeneration Programme

22. To follow up the Sustainable Katowice Agglomeration Project, support will be provided for the formulation and implementation of an Urban Environment Regeneration Programme for the core urban-industrial areas of Upper Silesia, to be carried out in conjunction with the Government's Coal Sector Restructuring Programme, with the assistance of the World Bank, the European Union and other donors. UNDP will help to support the municipalities of the Katowice Agglomeration in further developing their capacities for interdepartmental coordination and intermunicipal collaboration in environmental planning and management. Particular emphasis will be placed on the formulation and promotion of projects on (a) post-industrial site rehabilitation, especially for coal and heavy industry; (b) post-industrial clean-up; (c) water and waste water management; (d) solid waste management; and (e) community-based environmental regeneration initiatives.

Support to GEF-financed sustainable environment programmes

23. In addition, it is proposed that UNDP continue its support for the promotion of activities financed by the GEF, such as support to (a) the Low Level Emissions Programme in Upper Silesia, through use of wood waste; (b) the Biodiversity Conservation Programme; and (c) the Small Grants Programme.

IV. MANAGEMENT ARRANGEMENTS

Execution and implementation

24. National execution will continue to be the principal modality for project execution, although the services of United Nations specialized agencies for specific components and budget lines will be sought as required. Furthermore, the programme approach will be used as far as possible, by linking UNDP support to the formulation and implementation of specific national programmes, in cooperation with the inputs of other donors.

Monitoring, review and reporting

25. All projects will be subject to UNDP monitoring and evaluation procedures, and will be reviewed on an annual basis by the Local Programme Advisory Committee, with government and CSO/NGO participation. In addition, benchmarks and success criteria will be established at the stage of project formulation.

Coordination

26. The United Nations Resident Coordinator and the UNDP country office will continue to play an active role in coordination activities, primarily by helping to strengthen the Government's capacity in this area, as well as through informal networks among donors and visiting missions. UNDP will continue to participate in and host donor meetings, particularly for the organizations of the United Nations system, and will play a lead role in the eventual preparation of a common country assessment and country strategy note, as appropriate.

Resource mobilization

27. In view of the limited UNDP resources available, particular attention will be paid to mobilizing additional resources to support the achievement of national programme objectives, in particular through the cost-sharing mechanism. Thus, a key feature of the first CCF is to provide assistance in those areas to which additional resources can be mobilized.

Public information

28. One of the important functions of the UNDP country office and the United Nations Information Office, of which the Resident Representative is Acting Director, is the distribution of information on United Nations-related activities and advocacy of particular themes promoted by General Assembly resolutions and the UNDP Executive Board, a role that will strengthen during the period of the first CCF.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR POLAND (1997-1999)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	158	
TRAC 1.1.1	569	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
Other resources	719	In line with decision 95/23, paragraph 19.
SPPD/STS	89	
Subtotal	1 535[a]	
NON-CORE FUNDS		
Government cost-sharing	2 100	On the basis of government commitment to matching UNDP resources.
Sustainable development funds		
GEF	1 400	Estimated.
Third-party cost-sharing	4 600	To be negotiated with donors on a project-by-project basis.
Funds, trust funds and other	67	Poverty Strategy Initiative Trust Fund
Subtotal	8 167	
GRAND TOTAL	9 702[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: IPF = indicative planning figure; SPPD = support for policy and programme development; STS = support for technical services; and TRAC = target for resource assignment from the core.